

REPORT OF THE CHIEF FINANCIAL OFFICER

1. Introduction

It is my pleasure to present an overview of the operating results for the year ended 30 June 2006.

The 2006 financial year generated an operating loss of R37 295. Taking the year appropriations into account, the nett surplus has increased to R6 978 307. The largest component of this surplus is however captured in outstanding debtors and does not constitute cash on hand.

Debtors

- 1) Trade debtors decreased from R7 188 949 to R7 102 955, a decrease of 1.196%.
The provision for bad debts amounted to R22 667 which accounts for 0.32% of total outstanding debtors.

Bank

The cash in bank increased with R637 168 from R350 241 to R987 409.

2. Operating results

Income	Actual 2004	Actual 2005	Variance 2004/2005	Budget 2005	Variance Actual/Budget
	R	R	%	R	%
Opening surplus	6,078,034	6,915,382		0	
Operating income for the year	9,893,952	10,336,045	4.47%	10,222,262	1.11%
Closing deficit					
Total	15,971,986	17,251,427		10,222,262	
Opening deficit					
Operating expenditure for the year	9,056,604	10,373,340	14.54%	10,222,262	1.48%
Sundry transfers	0	100,219			
Closing surplus	6,915,382	6,978,306		0	

2.1 OPERATING EXPENSES

Outstanding debtors, as well as the current economic situation, resulted in stringent control over expenditure. Follow is a summary of budgeted operating expenditure against actual expenditure.

	Salaries wages & allowances	General Expenses	Maintenance	Capital charges	Capital from Income	Contri- butions
	R	R	R	R	R	R
Budget	5,972,007	3,657,295	371,570	183,370	38,020	0
Actual	5,212,371	3,756,831	461,101	143,455	764,500	35,080
Difference	759,636	-99,536	-89,531	39,915	-726,480	-35,080
% (Over)/Under	12.72%	-2.72%	-24.10%	21.77%	-1910.78%	-100.00%

2.2 Trading services (Electricity)

The Electricity service has realised a surplus of R433 336 against a budgeted surplus of R348 785. This can be attributed to an overoptimistic income estimate which did not realise.

Water services realised a surplus of R629 444 against a budgeted R754 007. This can also be attributed to water losses as a result of bad pipe lines.

2.3 Housing services

Housing services realised a loss of R31 926 for the financial year.

2.4 Economic services*Sewerage and refuse*

Sewerage and refuse closed with a surplus of R369 886.

2.5 Rates and general services

The three largest consumers of council funds in this category were Management services with a deficit of R1 317 253, General expenditure with R222 292 and Public works with a deficit of R221 499.

Rates and general services

	Actual	Actual	Variance	Budget	Variance
	2004	2005	2004/2005	2005	Actual/Budget
	R	R	%	R	%
Income	584,081	524,536	-10.19%	753,150	30.35%
Expenditure	0	0	#DIV/0!	1	100.00%
Surplus/(Deficit)	584,081	524,536	-10.19%	753,149	30.35%
Surplus/(Deficit) as					
% of total income	100.00%	100.00%		100.00%	

Housing

	Actual	Actual	Variance	Budget	Variance
	2004	2005	2004/2005	2005	Actual/Budget
	R	R	%	R	%
Income	119,077	126,793	6.48%	0	0.00%
Expenditure	188,276	158,718	-15.70%	0	0.00%
Surplus/(Deficit)	-69,199	-31,926	-53.86%	0	0.00%
Surplus/(Deficit) as					
% of total income	-58.11%	-25.18%		0.00%	

Trading services

The bulk purchase of water and electricity are regulated by ESCOM, as well as Department of Water Affairs. Electricity tariff are regulated by the NER.

Following is a summary of the operating results of the two trading services:

Water

	Actual	Actual	Variance	Budget	Variance
	2004	2005	2004/2005	2005	Actual/Budget
	R	R	R	R	%
Income	2,464,996	1,905,049	-22.72%	2,206,812	13.67%
Expenditure	1,193,570	1,275,605	6.87%	1,452,805	12.20%
Surplus/(Deficit)	1,271,426	629,444	-50.49%	754,007	16.52%
Surplus/(Deficit) as					
% of total income	51.58%	33.04%		34.17%	

Electricity

	Actual	Actual	Variance	Budget	Variance
	2004	2005	2004/2005	2005	Actual/Budget
	R	R	R	R	%
Income	2,653,771	2,853,902	7.54%	2,206,812	-29.32%
Expenditure	2,411,114	2,420,566	0.39%	1,452,805	-66.61%
Surplus/(Deficit)	242,657	433,336	78.58%	754,007	42.53%
Surplus/(Deficit) as					
% of total income	9.14%	15.18%		34.17%	

3. Capital expenditure and financing

	Actual 2005/2006 R	Budget 2005/2006 R	Actual 2004/2005 R
Rates and general	-	10,000	-
Council vehicles	764,500	3,500,000	394,759
Land	-	50,000	-
Buildings	-	1,800,000	-
Parks and recreation	-	-	-
Streets	-	-	-
Swimming pool	-	-	-
Sewerage	-	-	-
Sanitary	-	-	-
Furniture and equipment	-	-	-
Operating equipment	-	-	-
Mziwabantu	-	-	-
Traffic signs	-	-	-
Housing	-	-	-
Water	-	-	-
Electricity	-	-	-
Other	-	-	-
Total	764,500	5,360,000	394,759

Resources used to financed fixed assets are as follow:

	Actual 2005/2006 R	Budget 2005/2006 R	Actual 2004/2005 R
Donations	-	5,360,000	-
Contributions from operating income	764,500	0	394,759
Loans	0	-	-
Total	764,500	5,360,000	394,759

4. External loans, investments and cash

On 30 June 2005 external loans amounted to R Nil (R Nil in 2005) and internal loans amounted to R1 050 996 (R 1 088 450 in 2005).

More information regarding loans and investments are disclosed in notes (4 and 7) and Appendix B' to the financial statements.

An investment of R500 000 is ceded as collateral for councils bank overdraft.

5. Extraordinary items

There was no extraordinary items.

6. Funds and reserves

More information regarding funds and reserves are disclosed in notes 1 to 3 and Appendix 'A' to the financial statements.

In conclusion I would like to express my appreciation to the Council, Municipal Manager, Departmental Heads and all other personnel for their support, co-operation and hard work during the past year.

Thank you

Chief Financial Officer

Date

BALANSSTAAT SOOS OP 30 JUNIE 2006
BALANCE SHEET AS AT 30 JUNE 2006

	Aant Note	2005/2006	2004/2005
KAPITAAL AANGEWEND/ CAPITAL EMPLOYED			
FONDSE EN RESERWES/FUNDS AND RESERVES		7,879,059	6,916,072
Statutêre fondse en ander fondse/Statutory and other Funds	1	7,879,059	6,916,072
Reserwes/Reserves	2	-	-
OPGEHOOPTE TEKORT/ACCUMULATED DEFICIT			
ONAANGEWENDE INKOMSTE/RETAINED SURPLUS	18	6,978,307	6,915,383
		14,857,367	13,831,455
TRUSTFONDSE/TRUST FUNDS	3	4,452,067	104,752
LANGTERMYN VERPLIGTINGS/LONG-TERM LIABILITIES	4	-	-
VERBRUIKERSDEPOSITO'S/CONSUMER DEPOSITS	5	286,942	269,739
		19,596,376	14,205,946
AANWENDING VAN KAPITAAL EMPLOYMENT OF CAPITAL			
VASTE BATES/FIXED ASSETS	6	1,050,997	48,149
BELEGGINGS/INVESTMENTS			
LANGTERMYN DEBITEURE/LONG-TERM DEBTORS	8	97,535	148,563
		1,148,531	196,712
NETTO BEDRYFSBATES /(LASTE)/ NET CURRENT ASSETS/(LIABILITIES)		18,447,845	14,009,234
BEDRYFSBATES/CURRENT ASSETS		20,115,101	14,481,852
Voorraad/Stock	9	-	-
Debiteure/Debtors	10	7,697,978	7,188,949
Beleggings/ Investments	7	11,377,247	5,943,141
Uitgestelde Koste		-	949,598
Korttermyn gedeelte van langtermyndebiteure	8	51,028	48,483
Bank		987,409	350,241
Kontant/Cash		1,440	1,440
BEDRYFSLASTE/CURRENT LIABILITIES		1,667,257	472,618
Krediteure/Creditors	13	1,387,394	218,213
Voorsienings/Provisions	12	279,862	254,405
Lenings : Korttermyn gedeelte		-	-
Loans : Short term portion	4	-	-
Bankoortrekking/Bank overdraft		-	-
		19,596,376	14,205,946

Munisipale Bestuurder
Municipal Manager

Hoof Finansiële Bestuurder
Chief Financial Officer

INKOMSTESTAAT VIR DIE BOEKJAAR GEËINDIG OP 30 JUNIE 2006
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

2004/2005 Werklike Inkomste Actual Income R	2004/2005 Werklike Uitgawe Actual Expenditure R	2004/2005 Oorskot/ (Tekort) Surplus/ Deficit R		2005/2006 Werklike Inkomste Actual Income R	2005/2006 Werklike Uitgawe Actual Expenditure R	2005/2006 Oorskot/ (Tekort) Surplus/ Deficit R	2005/2006 Begroting Oorskot /Tekort Budget Surplus/(Deficit) R
4,656,108	5,263,644	-607,536	BELASTING & ALGEMENEDIENSTE/ RATES AND GENERAL SERVICES	5,450,302	6,518,450	-1,068,149	-991,217
1,385,309	2,612,369	-1,227,060	Gemeenskapsdienste/Community services	2,348,998	3,626,641	-1,277,643	-1,128,915
6,646	289,623	-282,977	Gesubsidieerde dienste/Subsidised services	6,885	278,188	-271,303	-330,130
3,264,153	2,361,652	902,501	Ekonomiese dienste/Economic services	3,094,418	2,613,622	480,797	467,828
119,077	188,276	-69,199	BEHUISINGSDIENSTE/HOUSING SERVICES	126,793	158,718	-31,926	-111,575
5,118,767	3,604,684	1,514,083	HANDELSDIENSTE/TRADING SERVICES	4,758,950	3,696,171	1,062,779	1,102,792
9,893,952	9,056,604	837,348	TOTAAL/TOTAL	10,336,045	10,373,340	-37,295	-
		0	Aanwendings vir die jaar/Appropriations for the year			100,219	
		837,348	Netto Oorskot/ (Tekort) vir die jaar Net Surplus/(Deficit) for the year			62,924	
			Onaangewende Oorskot /(Opgehoopte Tekort) begin van die jaar Accumulated surplus/(Deficit) beginning of the year			6,915,383	
		6,078,035	ONAANGEWENDE OORSKOT/(TEKORT) EINDE VAN JAAR ACCUMULATED SURPLUS/(DEFICIT END OF YEAR			6,978,307	
		6,915,383					

KONTANTVLOEISTAAT VIR DIE JAAR GEËINDIG OP 30 JUNIE 2006
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Aant Note	2005/2006	2004/2005
KONTANT TERUGGEHOU UIT BEDRYWIGHED CASH RETAINED FROM OPERATING ACTIVITIES		6,835,773	-67,281
Kontant deur bedrywighele voortgebring/Cash generated by operations	19	4,221,472	958,807
Beleggingsinkomste/Investment income	17	600,835	52,769
(Toename)/afname in bedryfskapitaal/(Increase)/Decrease in working capital	20	702,813	1,129,925
Min: Eksterne rente betaal/Less External interest paid		5,525,119	2,141,501
Kontant beskikbaar uit bedrywighele/Cash available from operations	17	-	65,057
		5,525,119	2,076,444
Kontantbydraes van die publiek en die staat/Cash contributions from public and State		1,310,654	-2,143,725
Netto opbrengs uit verkoop van vaste bates/Net proceeds on disposal of fixed assets		-	-
KONTANT GEBRUIK VIR BELEGGINGSBEDRYWIGHED CASH UTILISED IN INVESTING ACTIVITIES			
Belegging in vaste bates/Investment in Fixed assets		-764,500	-315,253
NETTO KONTANTVLOEI/NET CASH FLOW		<u>6,071,273</u>	<u>-382,534</u>
KONTANTUITWERKING VAN FINANSIERINGSBEDRYWIGHED CASH EFFECTS OF FINANCIAL ACTIVITIES			
Toename/(Afname) in langtermynlenings/Increase/(Decrease) in long-term loans	21	-	-
Toename/(Afname) in korttermynlenings/Increase/(Decrease) in short-term loans		-	-
(Toename)/Afname in kontantbeleggings/(Increase)/Decrease in cash investments	22	-5,434,106	-311,174
(Toename)/Afname in kontant/(Increase)/Decrease in cash	23	-637,168	-71,360
NETTO KONTANT (VOORTGEBRING)/GEBRUIK/NET CASH (GENERATED)/UTILISED		<u>-6,071,273</u>	<u>-382,534</u>

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005
1. Statutêre fondse en ander fondse:		
Statutory funds and other funds:		
Wentelfonds/Revolving fund	3,275,590	3,578,156
Hondebelasting/Dog Tax	11,723	10,930
Elek Stabilisasie	73,227	65,477
Kleurling hernuwingsfonds	36,002	33,567
Munisipale geboue hernuwingsfonds	49,372	46,032
Voertuighernuwingsfonds	104,012	96,976
Elektrisiteitshernuwingsfonds	139,878	126,221
Waterhernuwingsfonds	214,549	194,843
Oord hernuwingsfonds	120,568	105,886
Alg bedryfsfondse	3,777,846	2,589,940
Oord algemeen	13,013	10,445
Belasting algemeen	63,279	57,600
	<u>-</u>	<u>-</u>
	<u><u>7,879,058</u></u>	<u><u>6,916,073</u></u>

(Sien aanhangsel "A" vir meer besonderhede)
(Refer to appendix "A" for more details)

2. Reserwes:
Reserves:

<u>-</u>	<u>-</u>
<u><u>-</u></u>	<u><u>-</u></u>

(Sien aanhangsel "A" vir meer besonderhede)
(Refer to appendix "A" for more details)

3. Trustfondse:
Trust funds:

4,452,067	104,752
<u>4,452,067</u>	<u>104,752</u>

(Sien aanhangsel "A" vir meer besonderhede)
(Refer to appendix "A" for more details)

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

4. Langtermynverpligtinge Long-term Liabilities	2005/2006	2004/2005
Staatslenings/Government loans	-	-
Privaat lenings/Private loans	-	-
DBSA	-	-
	<hr/>	<hr/>
Min: Onbestede geld/Less: Unspent monies	-	-
Min: Korttermyngedeelte/Less: Short-term portion	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>
	<hr/>	<hr/>

Eksterne Lenings is by verskeie Staats goedgekeurde instansies en van die Staat opgeneem en termyn wissel van 5 tot 30 jaar en rentekoerse van 2% tot 15.85% /
 External loans were advanced by various Government approved institutions are repayable over periods from 5 to 30 years. They bear interest at rates from 2% to 15.85%.

Interne lenings word opgeneem uit die Wentelfonds en termyn wissel van 5 tot 25 jaar en rentekoerse van 3% tot 13% /
 Internal loans are advanced by the Revolving fund and terms fluctuate from 5 to 25 years. Interest rates are between 3% to 13%.

Geen lenings word deur bates van Renosterberg Munisipaliteit verseker nie.
 None of the loans are secured by any assets of the Council.

Sien aanhangsel B vir meer besonderhede.
 Refer to appendix B for more information.

5. Verbruikersdeposito's: dienste
Consumer Deposits

Elektrisiteit en water/Electricity and water	<u>286,942</u>	<u>269,739</u>
----------------------------------------------	----------------	----------------

6. Vaste bates:
Fixed Assets

Vaste bates aan die begin van die jaar/ Fixed Assets at the beginning of the year	15,782,642	15,387,883
Vaste bates gedurende die jaar aangeskaf of ontvang/ Fixed Assets acquired during the year+B16	764,500	394,759
Min: Bates gedurende die jaar afgeskryf, oorgeplaas of mee weggedoen/ Less: Fixed Assets written off, transferred or sold	<hr/>	<hr/>
Totale Vaste bates/Total fixed assets	16,547,142	15,782,642
Min: Lenings gedelg en ander kapitaalontvangstes Less: Loans redeemed and other capital receipts	<hr/>	<hr/>
	-15,496,145	-15,734,492
Netto Vaste Bates/Net Fixed Assets	<u>1,050,997</u>	<u>48,150</u>

Sien aanhangsel C vir meer besonderhede.
 Refer to Appendix C for more information.

AANTEKENINGE TOT DIE FINANSIELE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

7. Beleggings
Investments

2005/2006

2004/2005

Ongenoteerde beleggings teen bestuur se waardasie:
 Unlisted investments at management valuation.

Beleggings - Algemeen/Investments - General

11,377,247	5,943,141
<u>11,377,247</u>	<u>5,943,141</u>

Gemiddelde opbrengskoeers op Beleggings (Bruto)
 Average gross rate of return on investments

8.50% 6.50%

Omsendbrief nr C35/1994 gedateer 13/07/1994 wat deur Tak Gemeenskapsdienste uitgereik is, vereis van Plaaslike Owerhede om fondse wat nie onmiddellik benodig word nie, by voorgeskrewe instellings te belê. Die beleggingslydeperke moet sodanig wees dat dit nie nodig sal wees om geld teen 'n boete rentekoeers te leen ten einde verpigtigings na te kom nie.

Circular no C.35 of 1994 issued by Provincial Administration - Community Service Branch, requires local authorities to invest funds, which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a plenary rate to meet commitments.

Die oortrokke bankrekening word verseker deur bogenoemde beleggings en word vanweë die finansiële posisie van die Raad as langtermyn-aard geklassifiseer.
 The above investments were ceded to secure the bank overdraft and are classified as long-term because of the financial situation of the Council.

8. Langtermyndebiteure:
Long-term debtors

W Du Toit
 D White
 E Hugo
 J v/d Berg

41,886	53,765
32,937	43,233
31,555	40,791
<u>42,185</u>	<u>59,257</u>
148,563	197,046
<u>-51,028</u>	<u>-48,483</u>
<u>97,535</u>	<u>148,563</u>

Min: Korttermyngedeelte/Less: Short-term portion

9. Voorraad:
Stock:

Voorraad word waardeur soos in aantekening 4 van die rekeningkundige beleid uiteengesit.
 Stock are valued as stated per note 4 of the accounting policies.

10. Debiteure:
Debtors

Debiteur (Verbruikers)/Debtors(Consumers)

	Current	30 Days	60 Days	90 Days	Total	
- Water	69,170	896,855	145,321	1,634,654	7,125,622	7,208,684
- Electricity/Elektrisiteit	94,735	71,134	43,395	626,618	2,745,799	2,369,599
- Sewerage/Riool	50,958	25,628	25,110	1,403,744	835,882	932,558
- Refuse/Vullis verwydering	29,949	13,978	13,343	846,075	1,505,440	1,681,079
- Property Tax/ Erf Belasting	155,287	121,121	129,474	729,273	903,345	1,009,117
					<u>1,135,155</u>	<u>1,216,331</u>

Min: Voorsiening vir slegte skulde/Less: Provision for bad debts

Diverse Debiteure

Waterbeskikbaarheidsgelde
 Elektrisiteitsbeskikbaarheidsgelde
 Rioolbeskikbaarheidsgelde
 Mun geboue Keurtjieskloof
 Munisipale geboue
 Diverse debiteure
 Deposito Brandstof
 Behuising keurtjieskloof
 Behuising Van Der Kloof
 Bouklousale
 Oorskrydings

-22,667	-19,735
<u>7,102,955</u>	<u>7,188,949</u>
47,868	-
63,193	-
41,750	-
1,086	-
95,175	-
279,569	-
750	-
17,324	-
9,743	-
38,516	-
50	-
<u>7,697,978</u>	<u>7,188,949</u>

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005	
11. Uitgestelde Koste:			
Deferred charges:			
Geen uitgestelde koste vir die jaar nie.			
No deferred charges for the year	<u>-</u>	<u>949,598.00</u>	
12. Voorsienings:			
Provisions:			
Voorsiening vir ouditgelde/Provision for Audit	-	-	
Verlofvoorsienings/Leave reserve	<u>279,862</u>	<u>254,405</u>	
	<u>279,862</u>	<u>254,405</u>	
13. Krediteure:			
Creditors:			
Handelskrediteure/Trade Creditors	1,351,962	158,504	
Deposito's	2,488	-	
Dienste geld vooruitbetaal	32,944	59,669	
Biblioteekboeke	-	40	
	<u>-</u>	<u>-</u>	
	<u>1,387,394</u>	<u>218,213</u>	
14 Eiendomsbelasting:			
Assessment Rates:			
	Grond Waardasie/ Land Valuation on 2001/07/01	Werklike Inkomste Actual Income 2005/2006	Werklike Inkomste Actual Income 2004/2005
Belasbare Eiendom:/Taxable Property	49,402,900	524,536	504,137
Nie Belasbare Eiendom Rente/Non-taxable property	2,898,353	-	-
Gemiddelde waarde per R1/Average value per R1	0.0106	0.0102	

Die waardering van grond vind elke 4 jaar plaas en die algemene skatting het op 1 Julie 1996 in werking getree. Die koers was 0.90c in die Rand op die waarde van verbeteringe. 'n Korting van 20% is aan staatsdepartemente toegestaan

The valuation of land is performed every ten years and the general estimates came into effect on 1 July 1996. The basic rate was 0.96c in the Rand on the value of improvements. A rebate of 20% was granted to government departments.

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005
15 Raadslede se Toelaes:		
Councillors' Allowances:		
Burgermeester se Toelae/Mayor's allowance	48,447	53,906
Raadslede se Toelae/Councillor's allowance	169,095	150,975
Pensioenbydrae van Raadslede/Pension contribution Councillors	-	-
Mediese fondsbydrae/Medical Aid contribution Councillors	-	-
	<u>217,542</u>	<u>204,881</u>
 Bestuurders se Vergoeding/ Managers' Remuneration		
Munisipale Bestuurder	415,117	-
Finansiele Bestuurder	373,152	-
	<u>788,269</u>	<u>-</u>
 16 Ouditeursvergoeding:		
Auditors' Remuneration:		
Ouditgelde/Audit fees	<u>133,355</u>	<u>96,804</u>
 17 Finansieringstransaksies:		
Financial transactions:		
<i>Totale eksterne rente verdien of betaal/</i>		
<i>Total external interest earned or paid</i>		
Rente verdien: Beleggings en debiteure		
Interest earned: Investments and debtors	600,835	412,769
Rente betaal/Interest paid	<u>-</u>	<u>-</u>
	<u>600,835</u>	<u>412,769</u>
<i>Kapitaalkoste teen bedryfsrekening gedebiteer</i>		
<i>Capital charges debited to operating account</i>		
Rente: Ekstern/Interest: External	-	-
Rente: Intern/Interest: Internal	43,167	44,810
Delging: Ekstern/Redemption: External	-	-
Delging: Intern/Redemption: Internal	37,454	42,269
Plus Delging: Delgingsfonds/Plus Redemption: Redemption fund	<u>-</u>	<u>-</u>
	<u>80,621</u>	<u>87,079</u>
 18 Aanwendings		
Appropriations:		
<i>Aanwendingsrekening/Appropriations</i>		
Onaangewende oorskot aan die begin van die jaar/		
Accumulated surplus at the beginning of the year	6,915,383	6,078,035
Surplus/ (Tekort) vir die jaar/Surplus/(Deficit) for the year	-37,295	837,348
Aansuiwerings van vorige jaar/Prior year adjustments	<u>100,219</u>	<u>-</u>
	<u>6,978,307</u>	<u>6,915,383</u>
 <i>Bedryfsrekening/Operating account</i>		
Kapitaalluitgawe/Capital expenditure	-	-
Bydrae: Wentelfonds/Contributions: Revolving fund	3,200	3,200
Bydrae: Verlofreserwefonds/Contribution: Leave reserve	7,000	10,000
Bydraes: Ander	24,880	21,680
	<u>35,080</u>	<u>34,880</u>

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005
19 Kontant deur bedrywighede voortgebring Cash generated by operations:		
(Tekort) / Oorskot vir die jaar/(Deficit)/Surplus for the year	-37,295	837,348
Aansuiwerings tov. vorige jare se bedryfstransaksies/ Adjustments in respect of previous years	100,219	-
Aanwendings teen Inkomste gedebiteer:/ Appropriations charged against income	799,580	34,380
Kapitaaluitgawe/Capital expenditure	-	-
Wentelfonds/Revolving fund	3,200	3,200
Voorsienings en reserwes/Provisions and reserves	31,880	31,180
Vaste bates/Fixed Assets	764,500	-
 Kapitaal Uitgawes/Capital Expenditure	 3,358,967	 87,079
Rente Betaal:/Interest Paid:		
Interne Fondse/Internal Funds	43,167	44,810
Eksterne Lenings/External loans	-	-
Delging Betaal/Redemption paid		
Interne Fondse/Internal Funds	37,454	42,269
Eksterne Lenings/External loans	-	-
Nie bedryfsinkomste uit fondse/Non-operating income from funds	5,225,000	-
Nie Bedryfsuitgawes/Non-operating expenditure	-1,490,019	-
Fondse Gedebiteer/Funds debited		
Voorsienings en Reserwe Gedebiteer/Provisions and reserves debited	-456,634	0
	<u>4,221,472</u>	<u>958,807</u>
 20. (Toename) / Afname in Bedryfskapitaal (Increase) /Decrease in working capital		
(Toename) / Afname in Voorraad/(Increase)/Decrease in stock	-	-
(Toename) / Afname in Debiteure/(Increase)/Decrease in Debtors	-509,029	904,564
Toename / (Afname) in Krediteure/Increase/(Decrease) in Creditors	1,211,842	225,361
	<u>702,813</u>	<u>1,129,925</u>
 21. Toename / (Afname) in Langtermynlenings (Ekstern) Increase/(Decrease) in long-term loans (External)		
Lenings opgeneem /Loans raised	-	-
Min: Lenings terugbetaal /Less: Loans repaid	-	-
	<u>-</u>	<u>-</u>

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005
22 (Toename) / Afname in Eksterne Kontantbeleggings (Increase) /Decrease in external investments		
Beleggings gemaak/Investments made	-5,434,106	311,174
Beleggings gerealiseer/Investments realised	-	
	<u>-5,434,106</u>	<u>311,174</u>
23 (Toename) / Afname in kontant voorhande (Increase) /Decrease in cash on hand		
Banksaldo - Begin van die jaar:/ Cash and Bank balance at beginning of year	351,681	280,321
Min: Saldo aan die einde van die jaar:/ Less: Cash balances at the end of the year	988,849	351,681
	<u>-637,168</u>	<u>-71,360</u>
24 Aftreevoordele Retirement Benefits		
Die amptenare behoort aan die Sala, Kaapse Gemeenskaplike Pensioen en Aftreefondse, en die Raadslede aan die Kaapse Gemeenskaplike Pensioen en Aftreefonds. Die aktuariële waarde kan by navraag voorgelê word. The officials are members of the Cape Joint Pension Fund, Imatu and SAMWU. The actuarial valuation can be provided on request.		
25 Voorwaardelike aanspreeklikheid en Kontraktuele verpligtings Contingent liabilities and contractual obligations		
Die Raad het geen kontraktuele verpligtinge nie. The Council has no contingent liabilities.		
26 Kapitaalverpligtings/ Capital commitments		
Verpligtings ten opsigte van kapitaall uitgawe:/ Commitments in respect of capital expenditure:		
- Goedgekeur en gekontrakteer/Approved and contracted	-	-
- Goedgekeur maar nog nie gekontrakteer/Approved but not contracted	-	-
	<u>-</u>	<u>-</u>
Hierdie uitgawe sal uit die volgende gefinansier word:/ This expenses will be financed from:		
- Interne bronne/Internal sources	-	-
- Eksterne bronne/External sources	-	-
	<u>-</u>	<u>-</u>

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2006
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2006

	2005/2006	2004/2005
27. Wentelfonds/ Revolving Fund		
Uitstaande voorskote aan leendienste/ Outstanding advances to borrowing services		
Opgehoopte fonds /Accumulated Funds	3,275,590	16,324,399
Min: Interne voorskotte aan leendienste Less: Internal advances to borrowing services	1,107,846	16,324,399
Min: Motorlenings/Less: Motorloans	148,563	
Min: Beleggings/Less: Investments	2,019,181	
	<u> </u>	<u> </u>
(Verwys na Aanhangsel B vir meer besonderhede) (Refer to appendix B for more details)	<u> </u>	<u> </u>

AANHANGSEL A/APPENDIX A

Opgehoopte Fondse, Trustfondse, Reserwes en Voorsienings
Accumulated Funds, Trust funds, Reserves and Provisions

	Saldo op/ Balance at 2005/06/30	Bydraes Gedurende die jaar/ Contributions during the year	Rente op beleggings/ Interest on investments	Ander Inkomste/ Other Income	Uitgawes gedurende die jaar Expenditure during the year	Saldo op/ Balance at 2006/06/30
	R	R	R	R	R	R
Opgehoopte en ander Fondse:/Accumulated and Other Funds:						
Wentelfonds/Revolving fund	3,578,156	3,200	150,868	-	456,634	3,275,590
Hondebelasting/Dog Tax	10,930	-	793	-	-	11,723
Elek Stabilisasie	65,477	3,000	4,750	-	-	73,227
Kleurling hermuwingsfonds	33,567	-	2,435	-	-	36,002
Munisipale geboue hermuwingsfonds	46,032	-	3,340	-	-	49,372
Voertuighermuwingsfonds	96,976	-	7,036	-	-	104,012
Elektrisiteitshermuwingsfonds	126,221	4,500	9,157	-	-	139,878
Waterhermuwingsfonds	194,843	5,570	14,136	-	-	214,549
Oord hermuwingsfonds	105,886	7,000	7,682	-	-	120,568
Alg bedryfsfondse	2,589,940	-	187,906	1,000,000	-	3,777,846
Oord algemeen	10,445	1,810	758	-	-	13,013
Belasting algemeen	57,600	1,500	4,179	-	-	63,279
	6,916,073	26,580	393,040	1,000,000	456,634	7,879,058
Trustfondse:/Trust Funds						
Waterpypleiding	95,273	-	3,410	-	-	98,683
Werkskepping	8,120	-	-	-	8,120	-
Kleurling Sportgeriewe	1,359	-	99	-	-	1,458
Droogtehulp	-	-	126,927	4,225,000	-	4,351,927
	104,752	-	130,435	4,225,000	8,120	4,452,067
Voorsienings:/Provisions:						
Verlofvoorsiening/Leave provision	254,405	7,000	18,457	-	-	279,862
Voorsiening vir ouditgelde/Provision for audit	-	-	-	-	-	-
Voorsiening vir slegte skuld:/Provisions for bad debts	19,735	1,500	1,432	-	-	22,667
	274,140	8,500	19,889	-	-	302,529
	7,294,965	35,080	412,929	5,225,000	456,634	12,633,655

AANHANGSEL B/APPENDIX B
Eksterne Lenings en Interne Voorskotte
External Loans and Internal Advances

	Interest rate/ Rente koers	Final payment/ Finale paaiement	Saldo op Balance at 2005/06/30	Gedurende die jaar ontvang Received during the year	Regstelling van opening saldo Correction of opening balance	Gedurende die jaar gedelg of afgeskryf Redeemed or writte off during the year	Saldo op Balance at 2006/06/30
EKSTERNE LENINGS/EXTERNAL LOANS							
Privaat lenings/Private loans	-	-	-	-	-	-	-
Staatslenings/Government loans	-	-	-	-	-	-	-
Ontwikkelingsbank van S.A	-	-	-	-	-	-	-
			-	-	-	-	-
INTERNE VOORSKOTTE/INTERNAL ADVANCES							
Wentelfonds/Revolving fund	-	-	1,088,450	-	-	37,454	1,050,996
			1,088,450	-	-	37,454	1,050,996

AANHANGSEL D/APPENDIX D

Ontleding van Bedryfsinkomste en -Uitgawe vir die jaar geëindig 30 Junie 2006
 Analysis of Operating Income and -Expenditure for the year ended 30 June 2006

Werklik Actual 2005 R		Werklik Actual 2006 R	Begroot Budgeted 2006 R
Inkomste/Income			
3,676,377	Staat en Provinsiale hulptoelaes en Subsidies/ Government and Provincial grants	3,753,342	3,750,000
5,087,519	Bedryfs inkomste/Operating Income	6,120,922	6,268,677
584,081	Eiendomsbelasting/Rates	524,536	655,500
1,272,674	Verkoop van water/Sale of water	1,626,643	1,606,812
2,398,083	Verkoop van elektrisiteit/Sale of electricity	2,559,959	2,565,225
832,681	Ander dienste /Other services	1,409,784	1,441,140
222,367	Rente verdien	187,906	130,105
907,634	Ander inkomste	273,876	73,480
<u>9,893,897</u>		<u>10,336,045</u>	<u>10,222,262</u>
Uitgawes/Expenditure			
4,799,082	Salarisse, lone en toelaes/Salaries, wages and allowances	5,212,371	5,972,007
3,872,665	Algemene onkoste/General expenses	3,756,831	3,657,295
1,651,760	- Aankoop van elektrisiteit/bulk electricity	1,923,190	1,677,600
308,442	- Aankoop van water/bulk water	304,789	745,300
1,912,463	- Ander algemene onkoste/Other general expenditure	1,528,852	1,234,395
270,564	Herstel en Onderhoudswerke/Repairs and maintenance	461,101	371,570
71,370	Kapitaalonkoste/Capital charges	143,455	183,370
5,511	Bydraes tot vaste bates/Contributions to fixed assets	764,500	38,020
37,613	Bydraes tot Fondse Reserwes en Voorsienings/Contributions	35,080	-
<u>9,056,805</u>	Bruto Uitgawe/Gross Expenditure	<u>10,373,340</u>	<u>10,222,262</u>

AANHANGSEL E/APPENDIX E
GEDETAILLEERDE INKOMSTESTAAT VIR DIE JAAR GEËINDIG 30 JUNIE 2006
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

Werklike inkomste Actual income 2005 R	Werklike uitgawe Actual expenditure 2005 R	Oorskot/(Tekort) Surplus/(Deficit) 2005 R		Werklike inkomste Actual income 2006 R	Werklike uitgawe Actual expenditure 2006 R	Oorskot/Surplus (Tekort/Deficit) 2006 R	Begroet Oorskot/ (Tekort) 05/06 Budget Surplus/ (Deficit) 05/06 R
4,656,108	5,263,644	-607,536	Belasting en algemene dienste Rates and general services	5,450,302	6,518,450	-1,068,149	-991,217
1,385,309	2,612,369	-1,227,060	Gemeenskapsdienste/Community Services	2,348,998	3,626,641	-1,277,643	-1,128,815
584,081	-	584,081	Eiendomsbelasting/Assessment rates	524,536	-	524,536	753,150
67,024	134,344	-67,320	Administrasie/Administration	65,944	107,078	-41,135	-117,850
-	232,411	-232,411	Algemene Uitgawes/General Expenses	-	222,292	-222,292	-274,500
-	145	-145	Hulpotoelae en skenkings verkeer	-	-	-	2,520
699,200	1,976,835	-1,277,635	Gesondheidsdienste	-	-	-	-1,850
-	-	-	Bestuursdienste	1,706,555	3,023,807	-1,317,253	-1,214,630
-	336	-	Stadsklerk	-	-	-	-
36,004	268,298	-233,292	Brandweer	51,964	273,463	-221,499	2,650
-	-	-	Openbare werke	-	-	-	-277,805
6,846	289,623	-282,777	Gesubsidieerde Dienste/Subsidised Services	6,885	278,188	-271,303	-330,130
242	99,853	-99,611	Openbare Biblioteek/Public Library	673	109,383	-108,710	-121,830
6,404	189,770	-183,366	Parke en ontspanning/	6,212	168,795	-162,584	-208,500
-	-	-	-	-	-	-	-
3,284,153	2,361,652	902,501	Ekonomiese Dienste/Economic Services	3,094,418	2,513,622	480,797	487,828
2,607,948	1,498,317	1,109,629	Riool/Sewerage	2,086,889	1,718,983	369,886	716,800
656,207	863,335	-207,128	Oord	1,007,127	896,839	110,489	-246,322
-	-	-	Verkeer en lisensies	423	-	423	-2,650
-	-	-	-	-	-	-	-
119,077	188,276	-69,199	Behuisingsdiens/Housing services	126,793	158,718	-31,926	-111,575
5,118,767	3,804,684	1,514,083	Handelsdienste/Trading Services	4,758,950	3,898,171	1,062,779	1,102,792
2,464,996	1,193,570	1,271,426	Water	1,905,049	1,275,605	629,444	754,007
2,653,771	2,411,114	242,657	Elektrisiteit/Electricity	2,853,902	2,420,566	433,336	348,785
9,893,952	9,056,604	837,349	Totaal/Total	10,336,045	10,373,340	-37,295	
		0	Aanwendinge vir jaar (Verwys na aantekening 18) Appropriations for the year (Refer to note 18)			100,219	
		837,348	Netto oorskot/(tekort) vir die jaar Net surplus/(deficit) for the year			62,924	
		6,078,035	Onaangewende oorskot/(opgehoopde tekort) aan die begin van die jaar Accumulated surplus/(deficit) at the beginning of the year			8,915,363	
		8,915,383	Onaangewende oorskot/(opgehoopde tekort) aan die einde van die jaar Accumulated surplus/(deficit) at the end of the year			8,978,307	

AANHANGSEL F/APPENDIX F

	2005/2006	2004/2005
Algemene statistiek/General statistic		
Bevolking/Population	9842	9842
Aantal geregistreerde kiesers/Registered voters	5905	5905
Oppervlakte (km)	553000ha	553000ha
Totale waardasies./Valuations		
- Belasbaar /Taxable (R'000)	49,402,900	49,402,900
- Nie - belasbaar/Non-taxable (R'000)	2,898,353	2,898,353
- Residensieel/Residential (R'000)		
- Kommersieel/Commercial (R'000)		
Waarderingsdatum/Valuation date: 1 Julie 1994		
Aantal persele/Number of erven:	9,654	9,654
- Residensieel /Residential		
- Kommersieel /Commercial		
Eiendomsbelastingkoers/Assessment rate		
- Grond (per rand)	0.02c/R	0.02c/R
- Verbeterings	0.009c/R	0.009c/R
- Korting: Staat/Discount: Government	20%	20%
Aantal werknemers/Number of employees	63	54
Elektrisiteitstatistiek		
Eenhede (kWh) aangekoop ('000)/Units (kWh) purchased	7,142,121	7,047,982
Eenhede (kWh) verkoop ('000)/Units (kWh) sold ('000)	6,433,444	6,028,714
Eenhede (kWh) verlore gegaan met verspeiding/ Unit (kWh) lost with distribution	708,677	1,019,268
Persentasie verlies met verspreiding/Presentation loss	9.92%	14.46%
Waterstatistiek		
Kl gekoop/Kl purchased	914274	856640
Min water gbruik vir terugwas suiwering	92022	77098
Kl verkoop/Kl sold	698,299	624,676
Kl verlore gegaan met verspreiding/Kl distribution loss	123953	154866
Persentasie verlies met verspreiding/Presentation loss	15.07%	19.87%